IN THE UNITED STATES DISTRICT COURT FOR THE MIDDLE DISTRICT OF PENNSYLVANIA

CUSTOM CONTAINER SOLUTIONS, LLC; : VALLEY CAN CUSTOM CONTAINER, LLC; : and CUSTOM CONTAINER VALLEY CAN : REAL ESTATE, LLC, :

Plaintiffs, : Case No. _____

: (formerly Pennsylvania Court of : Common Pleas of Union County

: No. 200511)

CENTURY SURETY COMPANY,

V.

Defendant. :

NOTICE OF REMOVAL

Defendant Century Surety Company hereby removes Case No. 200511 from the Pennsylvania Court of Common Pleas of Union County to the United States District Court for the Middle District of Pennsylvania pursuant to 28 U.S.C. §1332 and as grounds for removal states as follows:

- On September 8, 2020 Plaintiffs Custom Container Solutions, LLC,
 Valley Can Custom Container, LLC and Custom Container Valley Can Real Estate, LLC
 filed a Complaint in the Pennsylvania Court of Common Pleas of Union County. A copy of the Complaint is attached hereto as Exhibit A.
- Defendant Century Surety Company ("Century") was served with the Complaint on September 22, 2020.
- 3. The Complaint asserts three causes of action against Century: 1) breach of contract; 2) detrimental reliance; and 3) statutory and common law bad faith, relating to

the declination of insurance coverage for fire damage and business interruption costs under a Commercial Lines Policy issued by Century Surety Company to Plaintiffs.

- 4. As described in the Complaint, a fire in a paint booth at the Plaintiffs' facility on May 16, 2020 caused significant damage to the paint booth and building. See Ex. A at ¶ 16.
- 5. Plaintiffs' claim sought reimbursement for fire damage to the building and paint booth as well for loss of business income. See Ex. A at ¶ 29.
- 6. The Complaint notes that the Century Commercial Lines Policy at issue provides limits of \$1,500,000 for "Business Income/Extra Expense Including Rental Value EB". See Ex. A at ¶ 32.
- 7. The relief Plaintiffs seek includes *inter alia*: compensatory damages in excess of the compulsory arbitration limit of \$50,000; interest; costs of suit; attorneys' fees; and punitive damages. See Ex. A.
- 8. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §1332(a) because there is complete diversity of citizenship between Plaintiffs and Defendant and more than \$75,000, exclusive of interest and costs, is in controversy.
- 9. Plaintiffs are all alleged to be citizens of the Commonwealth of Pennsylvania. See Ex. A at ¶¶ 1-3.
- Defendant Century Surety Company is an Ohio corporation with principle place of business in Michigan. <u>See</u> Affidavit of Matthew J. Nelsen, attached hereto as Exhibit B.
- 11. Plaintiffs in this action have not specified the exact amount of damages being sought. However, the Complaint states that the amount sought is over the \$50,000

compulsory arbitration threshold and that Plaintiffs are seeking punitive damages over and above the compensatory damages. Furthermore, the Complaint puts at issue the policy's business income limits of \$1,500,000. Thus, the amount in controversy is well over \$75,000 and the jurisdictional threshold of 28 U.S.C. §1332(a) is satisfied.

12. Venue is proper in this Court pursuant to 28 U.S.C. §1441(a) because the U.S. District Court for the Middle District of Pennsylvania is the federal judicial district encompassing the Pennsylvania Court of Common Pleas of Union County in which the state court action was originally filed.

CONCLUSION

By filing this Notice of Removal, Century Surety Company does not waive any objection it may have as to service, jurisdiction or venue, or any other defenses or objections it may have to this action. Century Surety Company makes no admission of fact or law by this Notice and expressly reserves all defenses and objections.

KELLY & DEMARCO, P.C.

BY:

s/ Carolyn Bates Kelly Carolyn Bates Kelly, Esq. Attorneys for Defendant, **Century Surety Company**

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Dated: October 1, 2020